

DRAFT responses to Bobby Harrison from Ed Brunini

Q. It is my understanding state law does not provide a provision for a blind trust. Is that your understanding?

A. Nothing in Mississippi law prohibits establishment of a blind trust.

Q. Assuming state law does not, what guidelines did the governor use in setting up the blind trust?

A. Again, nothing in Mississippi law prohibits establishment of a blind trust. Governor Barbour's blind trust was set up in accordance with state ethics regulations following a template that many state and federal officials have used to protect themselves from actual or perceived conflicts of interest. The provisions of Governor Barbour's blind trust are fully appropriate and legal under Mississippi law, and all of the Governor's investments at the time the trust was created were permitted under Mississippi law and according to previous Ethics Commission rulings. The Ethics Commission has fully reviewed the Governor's blind trust and found it to be permissible, appropriate and legal under Mississippi law and rulings of the Commission.

Q. Is it a guarantor blind trust? If not, what kind?

A. I'm not going to discuss details of the blind trust, except to say again that it was reviewed by the Ethics Commission and determined to be in accord with state law.

Q. What does the governor understand his relationship with the BGR lobbying firm to be? Is he a part owner? Does he receive any type of dividend or other income from the firm as reported by Bloomberg? Does he feel there is a conflict if he is part owner or receives money from the firm?

A. Let me sum an answer to these questions this way: The Governor has no knowledge of any income coming into the trust from Barbour Griffith and Rogers or any other source, nor does he have knowledge of any assets that may or may not have been bought or sold in the course of the trust's management. The trustee of the Governor's blind trust has fully complied with all of its provisions so that the Governor does not know – and, in fact, cannot know – from where income comes or what assets it holds. That, after all, is the purpose of a blind trust: to keep the elected official, in this case Governor Barbour, from knowing what his investments are so that he will not be, or appear to be, affected in any decision by his own financial considerations. In the case of Governor Barbour's blind trust that purpose has been fully achieved.

Q. Is the income from the trust reported on the governor's tax returns?

A. I'm not going to discuss the Governor's tax returns.

Q. What is your response to critics who say the blind trust is nothing more than a ploy to hide the governor's involvement with the lobbying firm and with perhaps other ventures?

A. The Governor makes reports to the state Ethics Commission in accordance with state law and the blind trust itself is deemed to have satisfied ethics standards. I would only add that this surfaces in the national media a few weeks before Mississippi holds its 2007 general elections, so it would not be unreasonable to suggest that selfish motivations of political opponents are involved. Importantly, it is a criminal offense for anyone to reveal materials presented to the state Ethics Commission in confidence, which appears to have been done in this instance.

Q. What would be the harm in the governor listing his sources of income?

A. The Governor does list his source of income – the blind trust. Like all state officials, the Governor files reports with the Ethics Commission and all of his filings are in accordance with state law. Even the national media stories you reference say he has violated no law. The state law in this instance has been fully satisfied and we don't believe any additional action is necessary.